

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On September 22, 2014 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on September 22, 2014 in the State Office Building.

**Members Present:** Edwin S. Greenberg, Chairman  
Bennett Millstein, Vice Chairman  
Bruce Josephy, Secretary  
Mark A. Norman  
Pasquale A. Pepe  
John P. Valengavich

**Staff Present:** Brian A. Dillon, Director  
Mary Goodhouse, Real Estate Examiner

Chairman Greenberg called the meeting to order.

Mr. Josephy moved and Mr. Norman seconded a motion to enter into Open Session. The motion passed unanimously.

### OPEN SESSION

**ACCEPTANCE OF MINUTES OF SEPTEMBER 15, 2014 AND SEPTEMBER 16, 2014.** Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of September 15, 2014 and September 16, 2014. The motion passed unanimously.

### REAL ESTATE- UNFINISHED BUSINESS

### REAL ESTATE- NEW BUSINESS

**PRB #** 14-237      **Transaction/Contract Type:** RE / Lease-Out  
**Origin/Client:** DOT / DOT  
**Project Number:** 162-056-032A  
**Grantee:** James E. Carbon  
**Property:** Easterly side of North Main Street (CT Route 8), Winsted  
**Project Purpose:** Lease of vacant land, DOT Agreement No. 7.22-03(13)  
**Item Purpose:** Five-year lease with two-five year renewal options for 5,278± SF of vacant land located along the easterly side of North Main Street (CT Route 8) just north of Beach Street. The property is intended to be utilized for the sale of fresh produce.

Staff reported that this item is a new lease that will allow the Lessee to use the 5,278 SF leased premises for “vending farm fresh produce from a motor vehicle.” The proposed lease agreement is for 5 years retro-active to 7/1/14, with two 5-year renewals.

The DOT policy is to consider leasing land whenever such leases are compatible with ongoing transportation activities and are considered to be in the best interest of the State. The rental amount is

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established by appraisal; or properties for which there may be considerable demand may be leased via a public bid.

In May 2012, DOT advertised the availability of the parcel indicating a minimum bid of \$40/month and received two bids: \$100/month from James E. Carbon, and \$131/month from John Lovetere. A lease was entered into with John Lovetere (PRB #12-266) who subsequently terminated the lease. The current proposal is for rental at the rate of \$100/month, based on the bid results from May 2012. Using 8% as a rate of return, the ground lease at \$100/month indicates the state is receiving rent based on a land value of \$2.84/SF, or \$15,000 for the 5,278 SF parcel (\$123,797/acre), which SPRB staff reported is reasonable for this location.

The parcel is located on the east side of CT Route 8, North Main Street, Winsted.

Staff recommended approval of the item. The commissioner of transportation has the authority under CGS §13a-80 to enter into lease agreements, subject to the approval of OPM (received 8/8/2014) and the SPRB. Should DOT require this property for any reason, the lease can be terminated without cause with 30 days notice.

<b>PRB #</b>	<b>14-238</b>	<b>Transaction/Contract Type:</b>	RE / Lease-Out
<b>Origin/Client:</b>	DOT / DOT		
<b>Project Number:</b>	117-112-058A		
<b>Grantee:</b>	Tim McCarthy Roofing, LLC		
<b>Property:</b>	52 Picketts Ridge Road, Redding		
<b>Project Purpose:</b>	Lease of vacant land, DOT Agreement No. 11.20-03(14)		
<b>Item Purpose:</b>	Five-year lease with two-five year renewal options for 3,662 ± SF of vacant land improved as a dirt and gravel access road which is intended to be utilized for providing access to the rear of 56 Picketts Ridge Road.		

Staff reported that this item is a new lease that will allow the Lessee to use the 3,662 SF leased premises “only for driveway access to and from the Second Party’s garage.” The proposed lease agreement is for 5 years retro-active to 5/1/14, with two 5-year renewals.

The state land was originally acquired in 1972 for the Super 7 highway, never constructed. The leased area is a stone and dirt driveway that leads to a garage at the rear of the abutting land at 56 Picketts Ridge Road. The Redding assessment record indicates that the garage is a 3,120 SF studio/home office constructed in 2005, constructed by Timothy McCarthy. Mr. McCarthy also constructed the driveway, encroaching on state land.

The proposal is for rental at the rate of \$40/month, based on an appraisal by DOT appraiser Edward P. Sass. The state property at 52 Picketts Ridge Road, Redding is 1.53 acres of vacant residential land, and is a legal non-conforming building lot. The property is currently designated for transportation use under the Federal Aid Highway Act. Prior to this lease, the parties had a “use and occupancy” agreement.

Appraiser Sass estimated the value of the state’s 1.53 acre property 52 Picketts Ridge Road to be \$100,000 (\$1.50/sf). Using an 8% rental rate for the 3,662 SF lease-out, the monthly rent was calculated as follows: 3662 SF @ \$1.50/SF = \$5,493 x 8.00% = \$439/year ÷ 12 months = \$36.62/month, say \$40/month.

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The commissioner of transportation has the authority under CGS §13a-80 to enter into lease agreements, subject to the approval of OPM (received 8/8/2014) and the SPRB. Should DOT require this property for any reason, the lease can be terminated without cause with 30 days notice.

**ARCHITECT-ENGINEER - UNFINISHED BUSINESS**

**ARCHITECT-ENGINEER – NEW BUSINESS**

**OTHER BUSINESS**

**Discussion Draft 2014 SPRB Annual Report.** Board members reviewed with SPRB staff a draft of the Board’s annual report to the Governor, prepared in accordance with Connecticut General Statutes §4b-2(a).

The Board took the following votes in Open Session:

**PRB FILE #14-237** – Mr. Norman moved and Mr. Valengavich seconded a motion to approve PRB File #14-237. The motion passed unanimously.

**PRB FILE #14-238** – Mr. Millstein moved and Mr. Valengavich seconded a motion to approve PRB File #14-238. The motion passed unanimously.

The meeting adjourned.

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
Bruce Josephy, Secretary